



**Annual Report of the Control Yuan**  
**Taiwan, Republic of China**

**2012**



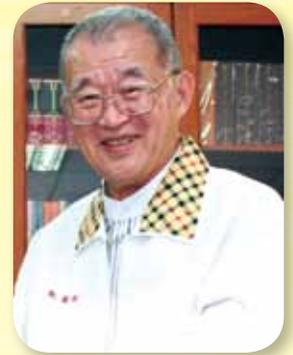


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Taiwan, ROC**

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# PREFACE

I am pleased to present the 2012 Annual Report of the Control Yuan. In the past year, we remained unchanged to exercise the Control powers vigorously and it is our pleasure to share with you the Control Yuan's yearly accomplishments.



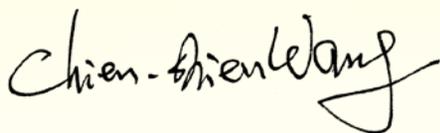
Assuring a clean government and good governance has long been our core mission and constitutional responsibility. In fact, the Control Yuan is unique in the world in terms of its powers and high status. When the founding father of the Republic of China (ROC), Dr. Sun Yat-sen, established the ROC Constitution, he expanded on the western three-power system with two additional powers and created the five-power system, among them a monitoring branch (the Control Yuan) independent from the executive and legislative branches. This arrangement ensures the Control Yuan de jure power to receive complaints, conduct investigations, and recommend penalization for public functionaries.

This report summarizes the work of the Control Yuan in 2012 in the areas of complaint handling, enforcement of good governance, sunshine acts, auditing, human rights protection, and international exchanges. The report also includes a new chapter summarizing our investigation cases in 2012. These cases fall into three categories: preventing waste of public expenditures, ensuring ethical government, and promoting human rights protection. We selected two cases in each category to illustrate our accomplishments and their effect on government administration.

I would also like to express my appreciation to my colleagues and of-

fice staff for their great contribution to our work and their dedicated efforts to fulfill the powers of the Control Yuan.

We are also eager to learn more from the international community and our counterparts worldwide. In 2012, we attended the 10th World Conference of International Ombudsman Institute (IOI) in New Zealand and the 17th Federación Iberoamericana de Ombudsman (FIO) Conference in Costa Rica. These events helped us to keep abreast of the latest developments in ombudsman powers and reaped significant benefits through the sharing of experience. In a time of austerity, we need to accomplish more with fewer resources, making cooperation among the world's ombudsman offices more important than ever. We sincerely hope our peers around the world will share their advice and support cooperation opportunities.

A handwritten signature in black ink, reading "Chien-shien Wang". The signature is written in a cursive, flowing style.

Wang Chien-shien

President of the Control Yuan

May 2013

# Annual Report of the Control Yuan Taiwan, ROC

January-December 2012

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## 1.2012 HIGHLIGHTS: Our Work at a Glance

The Control Yuan (CY) **broke several records** in its work in 2012, attesting to its achievements in settling public grievances.

During the year, the CY received **19,758 complaints** from private individuals. After excluding cases that were beyond the jurisdiction of the CY or recurrent complaints, 1,951 cases were accepted for further review and handling and **507 cases** of this filtered total were followed up with investigation. The investigation rate in 2012 was **26%**, which was **5.7% higher** than in the year before.

Secondly, the number of **self-initiated investigation** cases motioned by CY members rose from 232 in 2011 to 297 in 2012, making this category the **primary case source** for further investigation in the past year.

In 2012, **161 corrective measures** were proposed. In the CYs 4th term, 839 corrective measures were proposed. **The proposal rate** of corrective measures rose from 28.4% in the 3rd term to **39% in the 4th**.

The proposed corrective measures were submitted to the executive branch for improvement and achieved the desired effect: In 2012, **565 government officials were disciplined** by their supervisory agencies, bringing the total number of officials disciplined during the CYs 4th term to 3,395, which is **79.8% higher** than the 3rd term figure. Among the disciplined officials, **serious demerit** was mandated in 429 cases, which is **3.8 times more** than the comparable figure in the 3rd term.

In 2012, **27 impeachment cases** were proposed and **74 government officials** were impeached. These numbers were **the highest** for all years of



the CYs 4th term. In total, 223 public servants have been impeached in this term, with **over 60% of the cases involving high-ranking officials**, including one former director general of the National Fire Agency, one deputy director of the Water Resources Agency, one deputy director of the Directorate General Customs, and 35 judges and prosecutors.

*“We aim to work even harder on case handling and investigations, trying our best to address public grievances effectively in the last one more years of our term.”*

*--CY President Wang Chien-shien*

## 2.ROC CONTROL (SUPERVISION) SYSTEM IN BRIEF

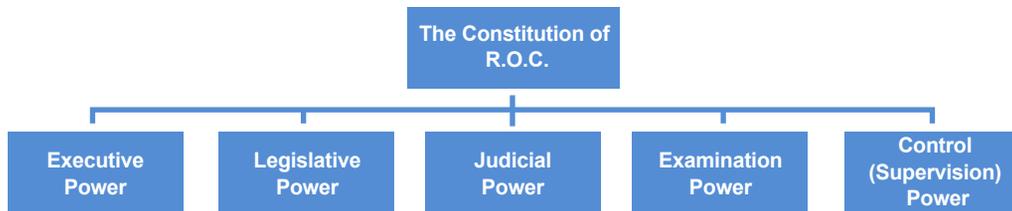
The control (supervision) system originated more than 2000 years ago in the Chin (246-206 B.C.) and Han (206 B.C.-220 A.D.) dynasties and was set up for upholding justice and ensuring government ethics. Not until the early 20 century was the system undergone a drastic transformation and given its modern façade by adding with the western constitutional concept.

**1911** The Republic of China, Asia’s first democratic country, was established. The founding father, Dr. Sun Yat-sen, advocated the five-power governmental system in which the two ancient Chinese government powers of examination and control (supervision) were added to the Western three-power structure (legislative, executive and judicial).



A Statue of the ROC Founding Father, Dr. Sun Yat-sen, stands in the Control Yuan. He was the initiator of the five-power constitution.

## The Five-Power Constitutional System of Republic of China



**1928** The Auditing Yuan was established.

**1931** The CY was established while the Auditing Yuan was downgraded, becoming a ministry under the CY.

**1947** The Constitution of the Republic of China was formed, and it specified a central government with five branches (Legislative, Executive, Judicial, Examination and Control Yuan).

**1948** The Constitution went into effect and the CY was officially established. The members (ombudsmen) during the first term of CY were elected by the provincial, municipal, Mongolian, Tibetan and overseas Chinese representative councils.

**1949** The government relocated to Taiwan from the Mainland China due to the Chinese civil war between the Nationalist KMT government and the communist party.

**1992** According to the amendment of the Constitution, the number of the CY members was reduced to 29, including a president and a vice president. All members were nominated and obtained the consent of the National Assembly.



**2000** The constitutional amendment specified that the 29 CY members shall be nominated by the President with the consent of the Legislative Yuan to serve a six-year term. This has remained in effect ever since.

**2005** The CY has been unable to exercise its powers for three and half years due to the political stalemate at the end of 2004 when the legislators of the opposing party refused to approve the nominations of the fourth term members.

**2008** The fourth term CY members took office in August 2008. Wang Chien-shien, the former minister of finance, is the incumbent CY president and 7 out of 29 members are female. The members consist of scholars, judges, lawyers and former legislators with diversified professional backgrounds. The term will be due in July 2014.



29 CY members of the 4th term and the office staff

## 3. OUR PERFORMANCE

The CY is dedicated to protecting human rights, upholding government ethics, promoting good governance, and mitigating citizen complaints.

The CY vigorously exercised its powers to reach the above-stated goals, with accomplishments over the year as follows:

### A. Handling Complaints and Assuring Good Governance

#### I. Receipt of People's Complaints

According to Article 4 of Control Act, CY and its members may receive people's written complaints. Anyone can lodge a complaint of malfeasance against any public officials or against the government itself for a specific wrongdoing.



CYs Complaint Receipt Center



An automated external defibrillator (AED) has been installed next to the entrance of Complaint Receipt Center in order to ensure the health condition of both complainants and the CY staff



The CY receives complaints from:

**1. Private individuals:** This is one of the major sources of the complaints we receive. A complainant can lodge a complaint via fax, through the mail, or by Internet. One can also submit a complaint in person to an on-duty member in the Complaints Receipt Center in the CY office.



The CY member receives complainants in the Complaint Receipt Center

**2. Government agencies:** The government agency shall send all cases of misconduct or violation of laws by its staff (senior ranking above level nine) to the CY.

**3. National Audit Office:** As a subordinate organization, the office reports relevant cases to the CY.

**4. Organizations/ Groups:** Any organizations or groups that are victims of governmental wrongdoing can lodge complaints with the CY.

**5. Circuit supervision and inspection:** A complainant can lodge a complaint to members who conduct circuit supervision of central and local government agencies; or members can initiate cases themselves when they discover governmental wrongdoing.



The CY members carried out a field inspection for an investigation case

**6. The media:** Complaints can also originate in the opinions and concerns of the mass media.

In 2012, we received 19,758 complaints from private individuals. Below are the types of complaints we received:

### Categories of Complaints Received in 2012

Units: Number of cases/%

Item	2012	%
<b>Total</b>	<b>19,758</b>	<b>100 %</b>
Domestic Affairs	5,665	28.7%
Judicial Affairs	6,161	31.2%
Financial and Economic Affairs	3,629	18.4%
Educational and Cultural Affairs	1,143	5.8%
Transportation Affairs	797	4.0%
National Defense Affairs	835	4.2%
Foreign Affairs	63	0.3%
Others	1,465	7.4%



## II. Investigation

When a complaint case is determined for further investigation, the CY members in charge will inspect relevant files and documents and inquire related personnel with the assistance of the assigned investigators. Only after a thorough investigation will the powers of impeachment, censure and corrective measures be exercised. Thus, the power of investigation is of great importance to the CYs work.

Investigations can be categorized as follows:

1. **Assigned investigations:** Members, in rotation, are assigned by either resolution of the CY plenary meeting or committee to conduct an investigation.
2. **Self-initiated investigations:** Members may initiate investigations based on contents of complaint or other information.
3. **Commissioned investigations:** The CY entrusts related organizations to investigate complaint cases.

In 2012, the CY investigated 507 cases. Out of this total, 210 cases were assigned investigations and 297 belonged to self-initiated investigations. Among the cases, 453 ones had been investigated and presented with investigatory reports; 385 ones were finished with investigative suggestions which were passed by the committee sessions and sent to related government agencies for improvement.

### Statistics on Cases Investigated by the Control Yuan in 2012

Unit: Cases

Number of total Cases		507
Assigned investigation		210
-Assigned by Control Yuan plenary meeting		126
-Assigned by resolution of Committee		84
Self-initiated investigation		297

### Statistics on Government Agencies Investigated by the Control Yuan in 2012

Units: Cases/ Persons

Government Agencies	Cases investigated	persons punished for relative minor misconduct by their relative agencies on request by the Control Yuan
<b>Total</b>	<b>928</b>	<b>566</b>
Presidential Office and its subordinate agencies	6	-
Executive Yuan and its subordinate agencies	634	420
Legislative Yuan	1	-
Judicial Yuan and its subordinate agencies	69	1
Examination Yuan and its subordinate agencies	5	-
Local governments	205	145
Others	8	-



### III. Impeachment, Censure, and Corrective Measures

The CY shall propose impeachment, censure or corrective measures against the relevant agencies or public servants for maladministration if the investigation suggests clear evidence.

#### 1. Impeachment

In impeachment cases, the CY ensures that the government conducts itself responsibly and that the ethics relating to governmental behavior are clear. Cases of impeachment must be forwarded to the disciplinary agency only after they have been proposed by at least two members, reviewed by more than nine others, and approved by at least half of those reviewing them.

If the case involves criminal code or military law, it shall be referred to the competent judicial or military organization for action in accordance with the law.

In 2012, the CY approved 27 impeachment cases and impeached 74 public officials.



A press conference would be held after an impeachment case is passed

### Categories Of Organization Whose Personnel Were Impeached by the Control Yuan in 2012

Unit: Persons impeached

Item	2012
<b>Total</b>	<b>74</b>
General Administration Affairs	1
Land Affairs	1
Treasury Affairs	8
Financial Affairs	1
Economy and Construction Affairs	8
Police Affairs	3
Cultural and Educational Affairs	19
Transportation Affairs	2
Health Affairs	18
Foreign Affairs	1
Judicial Affairs	6
National Defense Affairs	1
Agriculture and Forest Affairs	4
Budget, Accounting and Statistics Affairs	1



## Positions of the Impeached in 2012

Unit: Persons

Item	2012
<b>Total</b>	<b>74</b>
<b>Official Ranks</b>	
<b>Civil Official</b>	
-Elected	-
-Politically Appointed	6
-Senior Officer	35
-Officer	32
-Assistant Officer	-
<b>Military Official</b>	
-Generals	-
-Colonels and Majors	1
-Captains and Lieutenants	-

## 2. Censure

The CY employs the power of censure when it deems that a public official has broken the law and must be suspended from duty or be dealt with through other immediate measures.

Three or more CY members (not including the initiating members) shall review each case of censure, and at least half of the members reviewing it must give their approval. Each case shall be referred to the superior of the public servant who has been censured for action.

If a case involves violation of the criminal code or military law, it shall be submitted directly to the competent court or military court for action.

If the public servant's superior fails to act, or if two or more CY members deem the action taken improper, a case of impeachment may be initiated.

If a censured public servant is impeached, his or her superior shall be held responsible for negligence of duty.

In 2012, there were two public officials censured by the CY.

### 3. Corrective measures

In accordance with various subordinate agencies of the Executive Yuan, the CY established several committees to monitor whether or not any public officials had violated the law or had been derelict in their duties.

The CY may propose corrective measures based on reviews and resolutions by various committees and forward them to the Executive Yuan and its subordinate agencies for improvement.

After investigating the work of Executive Yuan and its subordinate agencies, the CY may propose corrective measures to them once these proposals have been examined and approved by the relevant committees.

After receiving the proposed corrective measures, the Executive Yuan or its relevant agencies shall immediately make the appropriate improvements or take actions and reply to the CY within two months.

If the Executive Yuan or its relevant agencies fail to reply in a timely manner to the proposed improvements and actions, the CY may, upon resolution by its related committees, question in writing or notify the responsible officials to appear at the CY for questioning.

If the CY concludes that the reply of the Executive Yuan or relevant agencies calls further inquiry, it may request an explanation from the relevant agencies or ask members in charge of the original investigation or investigators to conduct an on-site investigation.

If it is confirmed through an investigation that an executive agency



has procrastinated and refused to make the necessary improvements, the CY may initiate a proposal of impeachment against the head of the agency. The table below presents the cases of corrective measures in 2012:

### Cases of Corrective Measures Proposed by the Committees in 2012

Unit: Number of cases

Item	2012
<b>Total</b>	<b>161</b>
Domestic and Minority Affairs	36
Foreign and Overseas Compatriot Affairs	3
National Defense and Intelligence Affairs	20
Financial and Economic Affairs	53
Educational and Cultural Affairs	23
Transportation and Procurement Affairs	17
Judicial and Prison Administration Affairs	9

## B. Audit

The power of audit is one of the supervision powers stipulated in the Constitution and its Amendment. Subordinate to the CY, the National Audit Office (NAO) takes charge of exercising this power. The Auditor-General shall be nominated and appointed by the ROC President with the consent of the Legislative Yuan.



The NAO Auditor-General Lin Ching-long

The main NAO office audits the central government and its subordinate organizations while the local audit agencies inspect local governments and their subordinate organizations. These audit organizations are responsible for auditing the financial operations of governmental agencies at all levels.

The power of audit includes:

- Supervising budget implementation
- Approving receipt and payment orders
- Examining and approving financial receipts and final accounts
- Detecting irregularities and dishonest behavior regarding property and financial affairs
- Evaluating financial efficiency
- Determining financial responsibilities
- Fulfilling other auditing duties mandated by law



## Missions, Visions and Core Values of the NAO

Missions	<ol style="list-style-type: none"><li>1. Fulfill the duties of the NAO</li><li>2. Enhance the Control Powers</li></ol>
Visions	<ol style="list-style-type: none"><li>1. Provide high quality audit service</li><li>2. Maximize the value of audit function</li><li>3. Improve the performance of government</li><li>4. Facilitate integrity in public sectors</li></ol>
Core Values	<ol style="list-style-type: none"><li>1. Independence</li><li>2. Integrity</li><li>3. Professionalism</li><li>4. Innovation</li></ol>

If auditors discover that officials have committed financial irregularities or behaved dishonestly in an organization, the following measures may be taken:

The NAO shall report the findings to the competent audit organizations and notify the organization heads to take action. They may also report the case to the CY through auditing organizations for handling according to the law.

If a criminal offense is involved, they shall refer the matter to the judiciary and report to the CY.

If the auditing agency discovers that an organization has been notoriously inefficient or neglectful of its duties, it shall notify the organization's supervising agency and report the matter to the CY.

If the cause of the problem is a lack of system regulations or acceptable facilities, suggestions for improvement should be made.

The following table lists cases reported by NAO to the CY:

### Cases Reported by the National Audit Office to the Control Yuan in 2012

Unit: number of cases

Item	Method of Disposition					
	Investigated	Forwarded to Other Agencies to Inves- tigate	Merged	For Reference	Put on File	Others
<b>Total</b>	20	23	12	176	-	-

To learn more information of audit powers and affairs, please visit the official website of the NAO: [www.audit.gov.tw](http://www.audit.gov.tw).

## C. Sunshine Acts

In order to assure a clean government, the CY manages to serve as a loyal law enforcer for the following four acts:

- Act on Asset Declarations by Public Functionaries
- Act on Recusal of Public Functionaries due to Conflicts of Interest
- Political Donations Act
- Enactment of Lobbying Act



## The Sunshine Acts Establishment Timeline



### I. Asset Declarations by Public Functionaries

The purpose of the act is to ensure proper ethics and integrity of conduct among public functionaries. The enforcement of the act provides transparency in public functionaries' personal finances for public perusal, examination and supervision.

The following officials shall report their assets to the CY:

1. President and Vice President
2. President and Vice President of the five Yuans
3. Political appointees
4. Senior advisors, national policy advisors, and strategic advisors of the Office of the President on government payroll

5. Chiefs, chief deputies at all levels, 10th rank and above chiefs of staff and administrators; chairpersons, vice chairpersons, equivalent 10th rank and above administrators of the headquarters and branches of the state-owned enterprises; directors and supervisors representing the government or the state-owned shares in private juristic entities
6. Principal and vice principal of public schools at all levels chairpersons and vice chairpersons of the subsidiary institutions of the schools
7. Chief officers, deputy chief officers, and administrators at all levels above the rank of colonel in the military
8. Governors at above village (town, city) level elected pursuant to the Public Officials Election and Recall Act
9. Legislators/councilors in the Legislative Yuan/councils at all levels
10. Judges, prosecutors, enforcement officers, and judge advocates

One shall declare both domestic and overseas assets, including assets of all values (land, buildings, vehicles, insurance coverage), properties with a total value up to NT\$1 million (cash, deposits, securities, debts), items with a value up to NT\$200,000 (jewelries, calligraphy and paintings, antiques) and other important statement.

When discovering that public functionaries have failed to declare assets in time or truthfully, the CY shall impose fines and have their names published in accordance with the law. In 2012, there were 31 cases closed and fined. The fines reached up to NT\$5,620,000(US\$187,333 ).

## Statistics on Cases of Asset Declarations by Public Functionaries in 2012

	Case	Amount (NT\$1000)
Cases closed and fined	31	5,620
Cases closed	42	5,410
Cases not yet closed	81	9,155
<b>Cases with fines imposed</b>		
- paid by installment	10	1,260
- In the process of administrative execution	49	4,595
- others	8	800
<b>Cases where fines have not yet been imposed</b>		
- In the process of administrative appeal	7	1,390
- In the process of filing an administrative action	1	60
- others	6	1,050

## II. Conflicts of Interest

The aim of the act is to promote clean politics and integrity among public functionaries, and to effectively deter corruption. “Conflicts of interest” refers to nonfeasance and malfeasance by a public functionary on duty that has resulted directly or indirectly in him/herself or relevant persons receiving favors. Public functionaries are required to recuse themselves in cases of potential conflict of interest.

If a public functionaries fails to prevent the conflict of interest, then the affected parties shall, according to his/her position apply for prevention of conflict of interest at the agency where he/she serves.

The CY shall investigate and impose fines upon those who violate the regulations. When cases of fine impositions are confirmed, they will be posted on the internet or government gazette.

In 2012, there were 6 fined cases and the amount was up to NT\$10,040,000 (US\$334,666).

### Types of Interest and Common Violations

Types	Items	Common violations
Assets	<ol style="list-style-type: none"> <li>1. Personal and real properties</li> <li>2. Cash, deposits, foreign currencies, and securities</li> <li>3. Obligatory rights or other property rights</li> <li>4. Other interests with economic value or that can be acquired through money exchange</li> </ol>	<ol style="list-style-type: none"> <li>1. Issuing a financial reward for performance</li> <li>2. Increased property prices as a result of urban planning or road rerouting</li> <li>3. Reduced or exempted rents, payments or transportation fees</li> <li>4. Meddling in land sales or ownership</li> <li>5. Delaying or canceling demolition of illegal housing</li> </ol>
Intangible assets	<ol style="list-style-type: none"> <li>1. Employment, promotion and job transfers</li> <li>2. Other personnel arrangement</li> </ol>	<ol style="list-style-type: none"> <li>1. Contract workers</li> <li>2. Technicians, janitors, cleaning crews</li> <li>3. Temporary hourly worker</li> <li>4. Workers of staffing companies</li> <li>5. Performance assessment</li> <li>6. Temporary teaching assistants, staff, substitute teachers and additional teaching positions</li> <li>7. Other forms of violation</li> </ol>



## Violations and Penalties

Violations	Penalties (NTD)
Failure to recuse	<ul style="list-style-type: none"><li>• From 1 million to 5 million NTD</li></ul>
Refusal to recuse	<ul style="list-style-type: none"><li>• From 1.5 million to 7.5 million NTD</li></ul>
Abuse of power	<ul style="list-style-type: none"><li>• From 1 million to 5 million NTD</li><li>• Restitution of the illegal profits</li></ul>
Inappropriate lobbying	<ul style="list-style-type: none"><li>• From 1 million to 5 million NTD</li><li>• Restitution of the illegal profits</li></ul>
Financial transactions	<ul style="list-style-type: none"><li>• A fine of up to three times the total amount of the transaction</li></ul>

### III. Political Donations

The act aims to regulate and manage political donations in promotion of fair and just political activities that contribute to a healthy democratic development.

“Political donations” refer to personal and real properties, disproportionate financial contributions, debt exemptions, or other financial gains given to a person or a group involved in political campaigns or other relevant activities.

A special account approved by the CY must be in place before political parties, groups and candidates receive donations. The CY also needs to handle candidates’ disclosures of accounting reports and publish these disclosures in publications or post them on website. Candidates’ balance reports of political donation accounts shall be sent to Yuan and reviewed by our staff. Violators will be fined.

### Maximum Amount of Political Donations per Year

Max. donated amount per year (NTD)				
Types of donors	To a single political party or group	To multiple political parties or groups	To a single candidate	To multiple candidates
Individuals	300 thousand	600 thousand	100 thousand	200 thousand
For-profit enterprises	3 million	6 million	1 million	2 million
Civil groups	2 million	4 million	0.5 million	1 million

### Statistics on Political Donation Fines in 2012

	Cases	Amount (NT\$1000)
Cases closed and fined	330	29,125
Cases closed	275	31,785.5
Cases not yet closed	130	38,177
<b>Cases with fines imposed</b>		
-paid by installment	18	13,455
-in the process of administrative execution	43	13,240
-others	10	6,430
<b>Cases where fines have not yet been imposed</b>		
-in the process of administrative appeal	-	-
-in the process of filing an administrative action	4	1,445
-others	55	3,607



## IV. Lobbying

Lobbying refers an intentional interference by a lobbyist via verbal or written communication to affect the lobbied party or its agency about the formulation, enactment, modification, amendment or annulment of laws, government policies or legislation.

The lobbied parties include President and Vice President, people's representatives at all level, heads of municipal, county and city governments, directors and deputy directors of local offices, persons specified in Paragraph 1 under Article 2 of the Political Appointees Pension Statutes. In this regard, the CY president, vice president, members and secretary-general are considered as lobbied parties.

In 2012, the CY received no lobbying case.

## V. Online Declaration Service

In order to provide declarants with convenience and efficiency, the CY manage to establish a sound online service for declaration of assets as well as political donations. In 2012, there were 2,659 asset-declaration cases sent via the Internet. During the presidential and legislator elections held in January 2012, 73.9% of political donations were declared by using the online system.



The CY staff tour schools and local government agencies nationwide to give talks about sunshine acts to increase public awareness and understanding

## D. Human Rights Protection

Defending human rights has long been a core duty of the CY. In May 2000, the CY established the Human Rights Protection Committee (HRPC) to advocate for human rights and handle cases of alleged human rights violations by government agencies and civil servants.

Based on Article 4 of the Regulations for the Establishment of Human Rights Protection Committee, the HRPC shall have nine to eleven members, including one convener appointed by the CY President from amongst incumbent CY Members. The members serve a term of one year. At present, the HRPC is headed by CY Vice President Chen Jinn-lih. The term of the current members ends on July 31, 2013.

Among the complaint cases handled in 2012, 86.6% of them are human rights-related. Also, the investigation reports reviewed and passed by the CY in 2012, nearly 60% of them involve human rights issues.

For the purpose of promoting exchanges with human rights and ombudsman institutes overseas, delegates from the HRPC visited Ombudsman Republik Indonesia, Human Rights Commission of Malaysia, and Public Complaints Bureau in Malaysia from November 26 to 30, 2012. The delegation was led by CY Member Hung Chao-nan and joined by members Shen Mei-chen, Cheng Jen-hung and Yang Mei-ling. The visits provided opportunities for the parties to exchange ideas and experience on human rights protection work and



The CY delegation visited Malaysia Human Rights Commission and exchanged ideas with each other



to strengthen friendship ties.

The HRPC also arranged four lectures by academics and experts in 2012. The lectures addressed a range of topics related to protecting human rights and aligning the ROC with the “International Covenant on Economic, Social, and Cultural Rights,” “International Covenant on Civil and Political Rights” (referred as “the two covenants”), and “Convention on the Elimination of All Forms of Discrimination against Women” (CEDAW), helping CY staff to grasp the presented concepts and improve their ability to supervise human rights protection in government agencies.



The human rights protection lectures were held in the CY office.

## Human Rights Complaints Handled by the Control Yuan in 2012

Item/Category	Complaints Handled	
	2012 (January to December)	
	Number of Cases	Percentage %
<b>Total</b>	<b>19,722</b>	<b>100%</b>
<b>Non-human-rights complaints</b>	<b>2,648</b>	<b>13.4%</b>
<b>Human rights complaints</b>	<b>17,074</b>	<b>86.6%</b>
1. Right to freedom	126	0.6%
2. Right to equality	47	0.2%
3. Right to health and life	769	3.9%
4. Right to work	1,813	9.2%
5. Right to property	4,507	22.9%
6. Political rights	863	4.4%
7. Right to judicial protection	6,019	30.5%
8. Right to cultural life	189	1.0%
9. Right to education	552	2.8%
10. Environmental rights	522	2.6%
11. Rights to social security	628	3.2%
12. Others	1,039	5.3%



Taiwan published its first national human rights report in April 2012. Our office was not only involved in the writing of the report but also provided summaries of several key investigation cases.

Below is a summary of the human rights investigations completed by the CY in 2012:

### Human Rights Investigations Completed by the Control Yuan in 2012

Item/Category	Investigations Completed	
	2012 (January to December)	
	Number of Cases	Percentage %
<b>Total</b>	<b>436</b>	<b>100%</b>
<b>Non-human-rights investigations</b>	<b>192</b>	<b>44.0%</b>
<b>Human rights investigations</b>	<b>244</b>	<b>56.0%</b>
1. Right to freedom	7	1.6%
2. Right to equality	7	1.6%
3. Right to health and life	34	7.8%
4. Right to work	16	3.7%
5. Right to property	54	12.4%
6. Political rights	1	0.2%
7. Right to judicial protection	47	10.8%
8. Right to cultural life	6	1.4%
9. Right to education	18	4.1%
10. Environmental rights	22	5.0%
11. Rights to social security	19	4.4%
12. Others	13	3.0%

## E. International Exchange

The CY is an active participant in international ombudsman activities and communications. The CY joined the International Ombudsman Institute (IOI) in 1994, and the International Affairs Committee (IAC) was established in the CY later that year. Since then, the CY has regularly attended the global and regional meetings, conferences and workshops held by the IOI. In 2011, the CY hosted the Australasian and Pacific Ombudsman Region (APOR) meeting for the first time. Among the attendees were the IOI President Ms. Beverley Wakem and IOI Secretary General Peter Kolstelka. The CY also interacts closely with Latin America counterparts by inviting guests from the region and sending delegations to participate in meetings of the annual Iberoamerican Federation of Ombudsman (FIO). These exchanges have inspired new thinking and continuous improvements in the functions of control power.

In 2012, the CY participated in the following international events:



The Control Yuan hosted APOR meeting in 2011



## I. 10<sup>th</sup> IOI World Conference

In November 2012, a CY delegation led by Dr. Louis Chao, CY member and chairperson of IAC, attended the quadrennial IOI World Conference in Wellington, New Zealand and met with participants from nearly 200 countries. On the first day of the five-day event, the delegation attended the APOR meeting. On the second day, a General Assembly joined by all institutional members discussed and voted on draft by-laws to make the IOI more open to new members. A three-day conference on the theme “Speaking Truth to Power—The Ombudsman in the 21st Century” was held from the third day. One of the CY delegates also joined a pre-conference workshop during which Mr. Chris Wheeler shared the techniques of the New South Wales ombudsman office in handling unreasonable complaints.

During the trip, the delegation also inspected Taiwan’s representative offices in Wellington and Auckland and listened to briefings on the work of the diplomatic missions. The delegation also visited Christchurch to inspect reconstruction work following a powerful earthquake in 2011. A report of the trip with feedback and comments was written and publicly released in February 2013.



CY members Louis Chao (middle), Ger Yeong-kuang (left) and Hung Chao-nan (right) attended the 10th IOI World Conference in Wellington, New Zealand

## II. 17<sup>th</sup> FIO Conference

In October 2012, CY members Dr. Louis Chao and Dr. Li Bing-nan participated in the 17th FIO conference in San José at the invitation of Costa Rica Ombudsman Office. During the conference, the delegates learned from the experience of Latin counterparts in fighting child violence and juvenile delinquency.

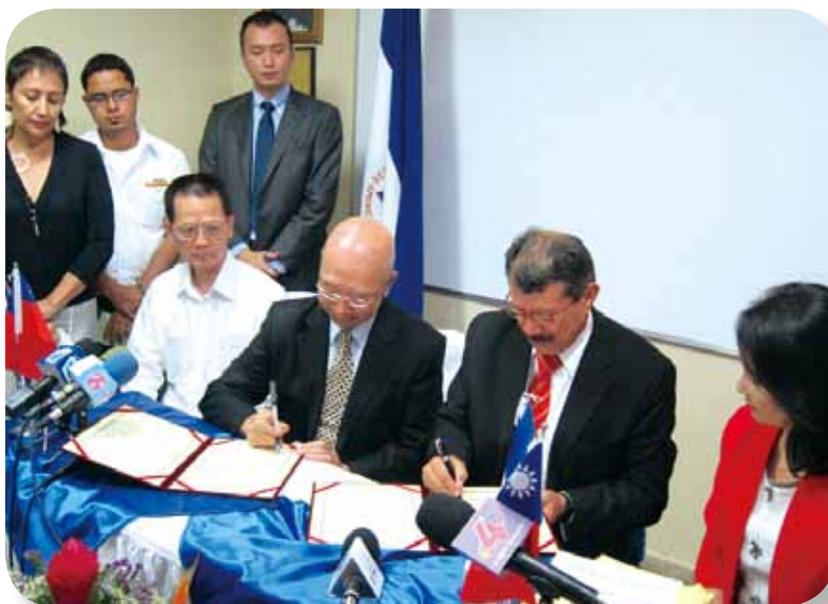
During the trip, the delegation visited Nicaragua and El Salvador and called on Taiwan's embassies. In Nicaragua, the delegates also met with Vice President Omar Halleslevens and visited the human rights ombudsman office and auditing office. In El Salvador, the delegation visited the Court of Audit, Human Rights Procurator, and office of the Central American Integration System (SICA). A trip report was written with suggestions for future work.



CY members Louis Chao (second from the right) and Li Bing-nan (first from the right) participated the 17th Annual Conference of FIO in Costa Rica

### III. Signing MOU with Nicaragua Ombudsman Office

During the October 2012 visit to Nicaragua, CY member and the Chairperson of IAC Dr. Louis Chao, on behalf of the Control Yuan, signed a memorandum of understanding (MOU) with Human Rights Public Defender Omar Cabezas, for implementation of bilateral cooperation between the two offices. The success in signing of the MOU can be credited to Ms. Deborah Grandison Samuel, an officer of the Nicaragua Ombudsman Office who participated in a staff exchange program held by the CY in August 2012. After returning to Nicaragua, Ms. Grandison proposed the idea of an MOU to Mr. Cabezas and won his support. Based on the MOU, Mr. Cabezas is scheduled to visit Taiwan and sign the official agreement with CY President Wang Chien-shien in April 2013.



CY Chairperson of IAC, Dr. Louis Chao (left) and Nicaragua Human Rights Public Defender Omar Cabezas (right) are signing the MOU in Nicaragua

#### IV. CY Presents the Control Yuan Medal to Panama Ombudsman Ms. Portugal

At the invitation of the CY, Panama Ombudsman Patria Portugal made a five-day visit to Taiwan from October 7, 2012. She exchanged views with President Wang during a meeting at the CY president's office on the morning of October 9. Later that day, she delivered a speech at the CY plenary meeting and spoke about her 20-year odyssey in redressing grievance of her father, who was illegally detained, mistreated and subsequently executed by the dictatorship during Ms. Portugal's childhood. After the speech, President Wang presented her with the First Grade Control Yuan Medal. The award honors Ms. Portugal's dedication to human rights protection and her contributions to international ombudsman affairs.



*Ms. Portugal was awarded the First Grade Control Yuan Medal by CY President Wang*

#### V. Staff Exchange Programs

In 2012, the CY held two staff exchange programs with Asia-Pacific and Latin American counterparts in May and in August, respectively. Eleven participants from Indonesia, Malaysia, Marshall Islands, Nauru, Philippines, Thailand, Nicaragua, Salvador, Columbia and Panama joined these programs. The CY has held four similar exchange programs with Latin American counterparts since 2004. However, this year was the first time that the program was expanded to include Asia-Pacific countries.

A variety of courses were offered, covering both theoretical and practical aspects of the CYs power. At the beginning of the program, CY member Dr. Ger Yeoung-kuang introduced the ROC's five-power system. The participants then heard briefings on the different CY departments



and their day-to-day work. They toured the National Audit Office and Complaint Receipt Center, attended a CY plenary meeting, and participated in a press conference on an impeachment case. These experiences provided them with a clearer and more authentic picture of the CYs functions.



Staff Exchange Program with Asian-Pacific Counterparts



Staff Exchange Program with Latin-America Counterparts

## VI. Publication of the New Edition of “Introduction to World Ombudsman Institutions”

In 2012, the IAC also re-edited and published the second edition of the “Introduction to World Ombudsman Institutions,” following publication of the first edition in 2010. This is the first Chinese-language book in Taiwan on ombudsman institutions around the world. In the second edition, the IAC editors updated information and added introductions to 40 more institutions. The book is an important contribution to the resources available to the international ombudsman community.



The new edition of the Chinese-written book “Introduction to World Ombudsman Institutions”

**The Foreign Guests Visiting Our Office in 2012:**



President Wang meets delegation from Malaysian Anti-Corruption Commission



French Professor Jean-Marie Pontier Speaks about the Establishment of the New French Ombudsman at the Control Yuan



President Wang Receives Delegation of the National Human Rights Commission of Nigeria



Latin American Participants of the 2012 National Development Superior Course visit the Control Yuan



Vice President Chen meets Latin American Participants of the National Development Superior Course



President Wang meets with the President of the Salvador Court of Audit Mr. Marcos Sanchez



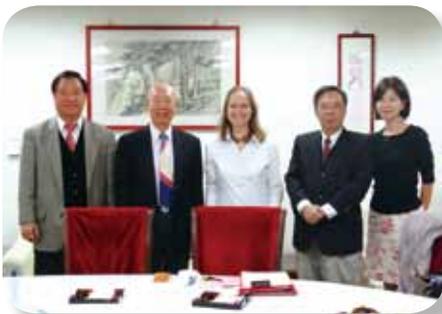
A delegation led by Mr. Lee Wan Soo, the Commissioner of Korean Chungcheongnam-do Supervision Commission, visit the Control Yuan



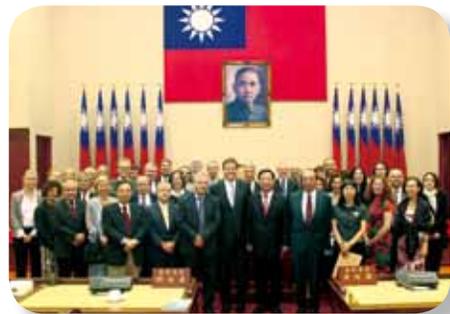
President Wang meets with the Chief Commissioner of the Brazilian Court of Audit Mr. Benjamin Zymer



The Staff of Korean Anti-Corruption & Civil Rights Commission (ACRC) visit the Control Yuan and learn the practice of control powers. (Location: Complaint Receipt Center)



French judge Ms. Emmanuelle Wachenheim visits the Control Yuan and has a discussion with CY members Dr. Louis Chao, Dr. Ger Yeong-kuang and Dr. Li Fu-dien



A delegation consisted of Austrian judges, prosecutors and lawyers visit the Control Yuan and exchange ideas with CY members Ger Yeong-kuang, Gau Fehng-shian, Li Fu-dien and Chao Chang-ping

## 4. CASE SUMMARIES:

### Bringing Our Powers to Bear

#### A. Preventing Government Waste in a Time of Austerity

##### I. Taipower Co.'s huge loss and poor running of the company

In June and September 2012, the CY proposed corrective measures against Taipower Company (Taipower) and the Ministry of Economic Affairs (MOEA) for purchasing unreasonably expensive electricity from private individual power producers (IPP) and paying bonuses to Taipower employees when the state-run company's deficits were rising sharply.

Two investigations revealed that Taipower paid excessively for electricity from IPPs and had long ignored faults that could be improved to lower electricity purchasing costs. In addition, the company paid bonuses of up to 2.6 months' salary in 2009, 2010 and 2011, despite the fact that it recorded losses of NT\$1.3 billion, NT\$18.1 billion and NT\$43.2 billion for the three years, respectively. Despite these losses, the Taiwan Cogeneration Company (TCC), a subsidiary of Taipower, paid sizable bonuses to staff with unjustifiable reasons. The MOEA, as the supervisor of the company, failed to properly monitor the company's expenditures and performance.

Taipower's losses had exceeded NT\$ 179.9 billion (US\$6 billion) while the company and MOEA were unaware of the situation until they were asked to make improvement by the CY. The CY demanded that the two agencies re-examine the efficacy and necessity of the existing



policies and initiate thorough reforms to reduce the company's deficit. Due to the corrective measures proposed by the CY, later in November, Taipower reached an agreement with five IPPs to purchase electricity at a lower price. As a result, the company cut purchasing costs by an estimated nearly NT\$1.2 billion every year, reducing waste in public expenditures.

## II. The “Fake Farmers” controversy

In December 2012, the CY proposed corrective measures against the Council of Agriculture (COA) and the Ministry of Interior (MOI) for negligence of slack criteria for claiming monthly subsidies for farmers aged 65 or above. Under a farmer subsidy program launched in 1996, persons who have paid into a farmer's insurance program for at least six months and are aged 65 or over are eligible for a subsidy of NT\$7,000 (US\$233) per month. Due to the loose regulation, people who do not farm or have never farmed have received the subsidy, with the result that the number of subsidy recipients leapt from 315,192 in 1996 to nearly 700,000 in 2012. The total amount paid to recipients during this period surged from NT\$12.4 billion to more than NT\$50 billion, accounting for 70 percent of the COA's annual budget, potentially crowding out funding for other farming programs.

The correction action in this case attracted a great deal of media attention. The MOI promised to conduct a thorough review of the program with the COA. The COA minister also said that the council would propose an amendment to require elderly farmers to have engaged in active farming for at least six years instead of six months before they can join

the farmers' insurance system and be eligible for the elderly farmers' subsidies.



CY members Shen Mei-chen (middle), Liu Yuh-san (left) and Li Fu-dien (right) looked into the case of “fake farmers” and briefed the case to the press after the corrective measure proposal was passed.

## B. Ensuring Clean Government and Good Governance

### I. Customs corruption

In April 2012, the CY impeached eight former customs officials involved in one of the nation's biggest customs corruption cases. The impeached officials and personnel were indicted on charges that they had been taking bribes from customs brokers and traders for two years, in exchange for their assistance in importing banned products and evading tariffs. Among the impeached, three officials were also found to be involved in various irregularities like reshuffling personnel, leaking internal documents or tasking subordinates to help the persons who bribed them. The CY also approved corrective measures for improvement by the Ministry of Finance and the Ministry of Justice due to dereliction of duty as supervisory agencies. The CY's investigations also pressured the involved departments to initiate customs reforms.



## II. A top officer's unethical associations with a contractor

On August 22, 2012, the CY proposed an impeachment case against the then deputy director-general of Water Resources Agency (WRA) under the MOEA for improper associations with a procurement contractor that had been awarded a total of 70 procurement tenders worth NT\$700 million (US\$23.33 million) between 2000 to 2010. According to the investigation report, the official had traveled with the contractor to several foreign countries and even played mahjong at the contractor's home on weekly basis. The behavior not only violated the code of ethics and conduct of civil servants and procurement of officials, but also severely tarnished the government's image.

After the impeachment, the case was referred to the Judicial Yuan's Committee for the Disciplinary Sanctions of Functionaries for consideration of penalty. The officer, who was scheduled to retire on August 31, has been forbidden to retire until the penalty is pronounced. In response of the case, the WRA director-general issued a press release on August 23 noting that they would strengthen ethics training for the agency staff. The MOEA also promised to instruct civil service ethics units to identify the ethical issues in WRA operations and set up a code of conduct to regulate interactions between the WRA staff and contractors.

## C. Safeguarding Human and Civil Rights

### I. Absence of court interpreters

On April 11, 2012, the CY proposed corrective measures against the MOJ for infringing the rights of defendants due to the defective service of court interpreters, in breach of the International Covenant on Civil and Political Rights (ICCPR) adopted by the United Nations. The investigation report suggested that the MOJ had long been disregarding the importance of court interpreter services and continued recruiting unqualified interpreters, while failing to offer adequate on-the-job training for them. Although the MOJ established a mechanism for hiring contracted professional interpreters in May 2009, it did not budget funds for the project. Moreover, few people knew about the system, such that some interpreters were underpaid while others did not receive a single case over the period of a year.

On April 27, soon after the CY proposed correction measures, the Judicial Yuan and the Executive Yuan drafted an amendment to the Code of Criminal Procedure, stipulating that an interpreter shall be provided if the accused is not conversant in the language. On May 30, the MOJ officially notified all judicial agencies to allocate budget for interpreting services. The MOJ's 2013 budget earmarks nearly NT\$4 million for such services.

### II. Victims of “blood-and-sweat” hospitals

In April 2012, the CY proposed corrective measures against the Executive Yuan and its two subordinate agencies, the Department of Health



(DOH) and the Council of Labor Affairs (CLA), for their incapacity to resolve the long-lasting problem of nursing and medical worker shortages at public hospitals. An average 10% shortfall in nursing and medical staffing at public hospitals resulted in burdening employees with heavy workloads and unreasonably long working hours, provoking a barrage of criticism that the employing institutions were “blood-and-sweat hospitals.”

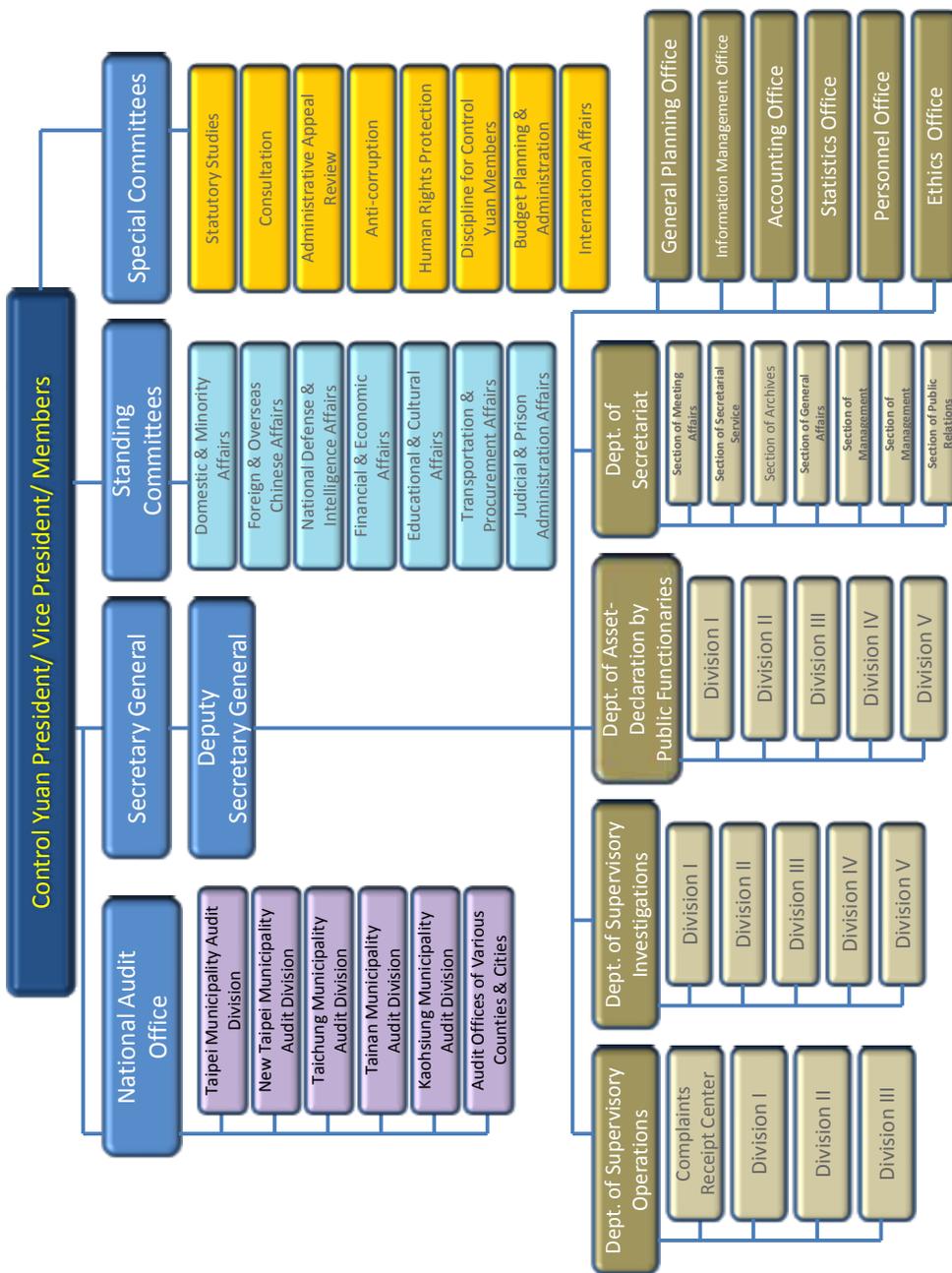
The CY reprimanded the supervisory agencies for improvement based on consideration that overworked hospital workers are more likely to harm patients. The action drew widespread public recognition and finally prompted the CLA to perform labor inspections as stipulated under the Labor Standard Act. The DOH began to adopt 10 strategies to more fairly allocate medical resources and find feasible solutions hospital staffing shortages. On May 5, President Ma Ying-Jeou also noted that the government had set NT\$2 billion aside to improve the working environment for nurses and minimize overtime work.



CY members Yin J.C. Teresa (middle), Chien Lin Whei-jun (left) and Li Fu-dien (right) held a press conference for the correction case of “blood-and-sweat” hospitals.

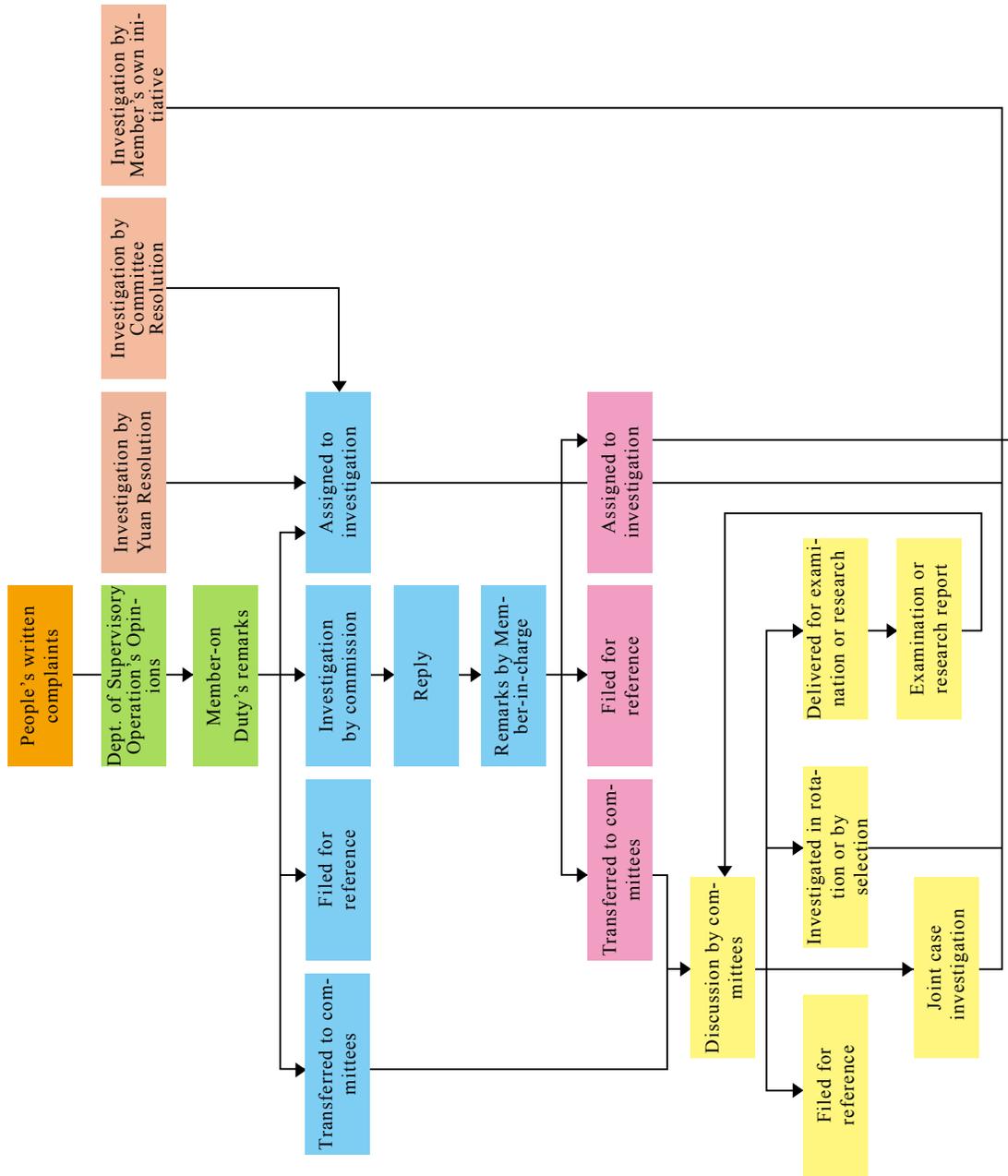
# 5. Appendix

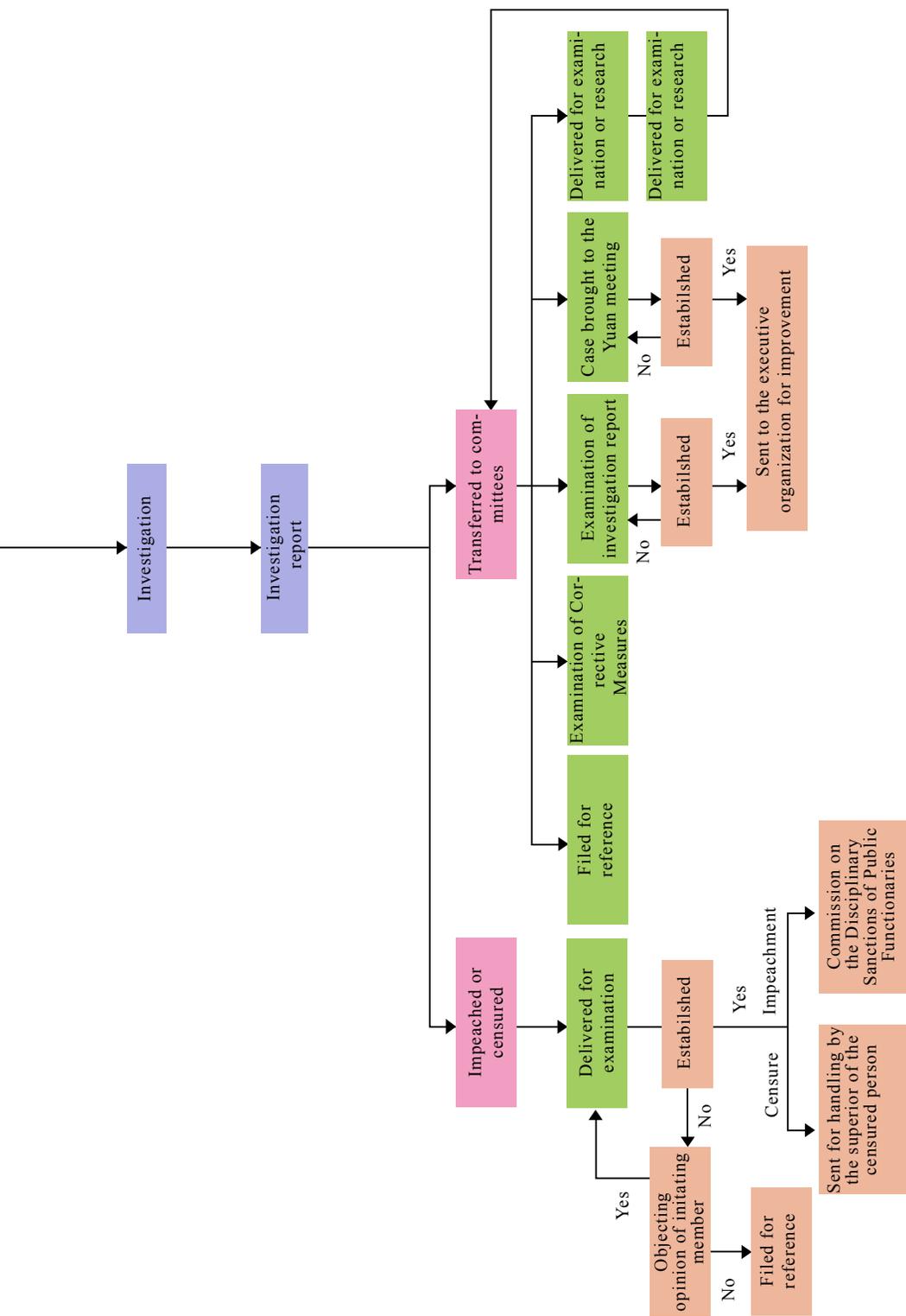
## Organizational Chart of the Control Yuan





# Flowchart of the exercise of the Control Yuan powers







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